

**Virginia Coastal Resilience Master Plan**  
**Technical Advisory Committee - Finance Subcommittee**

<b>Subject</b>	Finance Subcommittee Meeting #3 Virginia Coastal Resilience Master Planning Framework	<b>Date</b>	April 26, 2021
<b>Facilitator</b>	Elizabeth Andrews	<b>Time</b>	10:00am – 11:30am
<b>Location</b>	WebEx - <a href="https://governor.virginia.gov/i/v0rjr">https://governor.virginia.gov/i/v0rjr</a>	<b>Scribe</b>	Ashley Samonisky

<b>Invitees/Attendees</b>			
#	Name	Organization/Role	Attended?
<b>Finance Subcommittee Members and Staff Advisors</b>			
1.	Elizabeth Andrews – Chair	Director, Virginia Coastal Policy Center at William & Mary Law School	Y
2.	Peter D’Alema – Vice Chair	Director of Program Management, Virginia Resources Authority	Y
3.	Laura McKay – CZM Advisor	Program Manager, Virginia Coastal Zone Management Program	Y
4.	Clyde Cristman	Director, Department of Conservation and Recreation	N
5.	Bob Crum, Jr.	Executive Director, Hampton Roads Planning District Commission	Y
6.	Dr. Troy Hartley	Director, Virginia Sea Grant	Y
7.	Lee Hutchinson	Resiliency Program Analyst, Department of Housing and Community Development	Y
8.	Richard Klein	Civil Works Program Manager, United States Army Corps of Engineers, Norfolk District	Y
9.	Lewis Lawrence	Executive Director, Middle Peninsula Planning District Commission	Y
10.	Stephen Moret	President & CEO, The Virginia Economic Development Partnership	Y
11.	Robbie Coates	Grants Division Director, Virginia Dept. of Emergency Management	Y
12.	Eric Letsinger	CEO, Quantified Ventures	Y
<b>Scheduled Speakers</b>			
13.	Dave Rosenblatt	NJ State Chief Resilience Officer and Assistant Commissioner of Climate and Flood Resilience	Y
14.	Fawn McGee	Director of New Jersey’s Blue Acres Program	Y
	Eric Letsinger	CEO, Quantified Ventures	Y
<b>Designated Alternates</b>			
15.	Russ Baxter	Virginia Department of Conservation and Recreation (Alt for Clyde Cristman)	Y
16.	Traci Munyan	Program Administrative Manager, Department of Housing and Community Development (Alt for Lee Hutchinson)	Y
17.	Curtis Smith	Deputy Director, Middle Peninsula PDC (Alt for Lewis Lawrence)	Y
<b>Subcommittee Advisors</b>			
<b>Other Attendees</b>			
18.	Ann Phillips	Rear Admiral, US Navy (Ret.) - Special Assistant to the Governor for Coastal Adaptation and Protection	Y
19.	Matt Dalon	DCR	Y
20.	Connor Winstead	DCR	Y
21.	Nick Meade	CZM	Y
22.	Shurui Zhang	Commonwealth Coastal and Marine Policy Fellow	Y
23.	Benjamin McFarlane	HRPDC	Y
24.	Carille Greenberg Ribley		Y
25.	Denise Nelson	Environmental Engineer, George Washington Regional Commission	Y
26.	Grace Tucker	EDF	Y

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27.	Kevin DuBois	Commander, Navy Region Mid Atlantic Chesapeake Bay Program	Y
28.	Mary-Carson Stiff	Wetlands Watch Policy Director, Wetlands Watch	Y
29.	Natalie Snider	EDF	Y
30.	Dr. Robert Young	Program Director, Study of Developed Shorelines, Western Carolina U.	Y
31.	Paul Robinson	RISE	Y
32.	Cindy DiFranco		Y
33.	Jason Powell		Y
34.	Margaret Rockwell		Y
<b>Consultant Support</b>			
35.	Caroline Whitehead	Dewberry	Y
36.	Jessica Fleck	Dewberry	Y
37.	Johanna Greenspan-Johnston	Dewberry	Y
38.	Dale Morris	The Water Institute	Y
39.	Ashley Samonisky	Vision Planning and Consulting	Y

<b>Agenda/Minutes</b>		
#	Agenda Item	Minutes
1.	Roll Call and Quorum Affirmation	Elizabeth Andrews called the meeting to order and asked Laura McKay to take roll to establish a quorum. Laura advised that a quorum is present.
2.	Welcome and Chapter 1289 Reading	<p>Elizabeth read the required Section 1289 verbiage and asked for a motion to continue the meeting virtually. Troy Hartley motioned, Peter D’Alema seconded. Motion Passed.</p> <p>If a disruption occurs, please contact <a href="mailto:nick.meade@deg.virginia.gov">nick.meade@deg.virginia.gov</a> or 804-698-4297.</p> <p>Elizabeth introduced Rear Admiral Ann Phillips, Special Assistant to the Governor, and the Dewberry Team. She noted that Dewberry has some questions for the Subcommittee, which will be discussed after the presentations.</p>
3.	Eric Letsinger, Finance Subcommittee member - CEO, Quantified Ventures: Outcome-Based Financing (“Pay for Success” approaches), Environmental Impact Bonds, Catastrophe Bonds, and Resilience Bonds	<p>Eric Letsinger provided a brief introduction of himself and his firm, Quantified Ventures, an outcomes-based capital firm. Eric gave a presentation on various outcome-based financing approaches, with case studies, including: Environmental Impact Bonds, Catastrophe Bonds, and Resilience Bonds (see attached slides).</p> <p>Elizabeth asked members to hold their questions for Eric until after all of the presentations have been delivered. As Eric is a member of the Subcommittee, he can provide answers to these questions at a later date.</p> <ul style="list-style-type: none"> <li>• Q - How do we document the cost savings from projects that have co-benefits. Do you have examples where a single project can generate water quality credits and climate resilience credits and meet local/state/federal natural resources goals? What are the multiple monetary values that accrue from a single project?</li> <li>• Q - We would like to talk about how communities can use these bonds, are there special skills required, is there any requirements on tracking, etc.?</li> </ul>
4.	Fawn McGee, Director of New Jersey’s Blue Acres Program: How New	Elizabeth introduced Dave Rosenblatt and Fawn McGee to give their presentation on funding sources, programs, and buyouts in New Jersey.

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	<p>Jersey Funds the Blue Acres Program and other Resilience Efforts</p> <p>and</p> <p>Dave Rosenblatt, NJ State Chief Resilience Officer and Assistant Commissioner of Climate and Flood Resilience,</p>	<p>Fawn provided a brief introduction of her background and responsibilities and discussed New Jersey’s progress in buyouts and Superstorm Sandy-funded programs (see attached slides).</p> <ul style="list-style-type: none"> <li>• Q - Elizabeth - How do you overcome not having enough funds from one source to purchase a property, and fill that need with other funding sources having various eligibility requirements, timelines, etc.?  <ul style="list-style-type: none"> <li>○ A - Fawn - From the beginning we had many meetings where people would come who did not have flood insurance, but owned their homes outright. We used state funding to fill in the gaps for those who do not hit the mark for the federal guidelines. We need to look at the big picture and mix and marry various funding sources to provide the buyouts. The circumstances we deal with are too vast to just stop work until the next federal funding year. We will be doing competitive grant writing to fill gaps in the future when the Sandy funds run out. In each of the high-risk communities, we go back a second and third time to work with the property owners and municipal governments. We work with communities to encourage the buyouts, even if only for 20-30 properties a year.</li> <li>○ Q - Kevin DuBois - With a patchwork of buy outs, how does that affect the municipal cost to maintain infrastructure to remaining properties?</li> <li>○ A – Fawn - Questions such as emergency services come up, but because the properties we remove tend to be in the far-reaching corners of the communities, it is actually a benefit in most cases because it removes the cost of providing emergency services to those at-risk properties. We also provide relocation services if necessary. FEMA advised we could not do “life rights” agreements for buyouts using their funds, but we can do it with our other funding sources.</li> </ul> </li> <li>• Q - Mary-Carson Stiff - Are properties that do not have mortgages prioritized over those that do because it is less expensive? Can you expand on how the debt was forgiven - what is the incentive for a bank to agree to this?  <ul style="list-style-type: none"> <li>○ A – Fawn – We are looking at homes that flooded, not the mortgage, not incomes, just flooding. There is no disclosure law in New Jersey so there are many homes consistently losing value, especially those owners that do not have the ability to move to higher ground or elevate their homes. We look at the science. We do not ask about the personal situation until after the application process has already begun. We work with families and wait until they come with a clear title for transfer. We have also placed Blue Acres signs in property acquisition front yards to indirectly warn buyers they may want to reconsider purchasing in this at-risk neighborhood. We often offer pre-storm value to be more desirable than regular market value in a flooded neighborhood. Many towns are also changing zoning or ordinances to require elevations. Many purchasers are turned off by buying a home requiring extra work.</li> </ul> </li> </ul>

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		<ul style="list-style-type: none"> <li>• Q – Dr. Robert Young – Have you ever had a municipality come back complaining about the loss of tax base? Is this an obstacle to overcome?               <ul style="list-style-type: none"> <li>○ A – Fawn - I had one town complain, but they are a coastal community with a part-time mayor. Some of the most at-risk properties on the coast fell into the water before we could purchase them. The writing was on the wall and many recognized the benefits. The reduced stress for emergency services or CRS requirements also helped alleviate the concerns. I would say that 19/20 communities recognize the long-term benefits. Around 8-10 years ago, we would write the town a check to offset potential losses. This may be a program we consider bringing back to help the towns acclimate to the loss.</li> </ul> </li>   <li>• Q – Troy Hartley – Do you have data that shows the scale of increases in home values after buy outs and how quickly you see this growth after a buyout.               <ul style="list-style-type: none"> <li>○ A – Fawn – This data does not exist; however, it would be tremendously helpful to support the Program. We have reached out to our planners and partnering universities to suggest a study. Hopefully, it comes to fruition.</li> </ul> </li>   <li>• Q – Elizabeth - Are you satisfied with the Program being housed in the pre-existing Green Acres program?               <ul style="list-style-type: none"> <li>○ A – Fawn – I volunteered to host the program. The team we have in place is already an experienced real estate team. We have paralegals, real estate agents, title agents, etc. This all comes together to provide invaluable support. It made sense to just add to this existing team.</li> </ul> </li>   <li>• Q – Mary-Carson - Are land trusts or other community organizations helping out with the stewardship of the open space parcels, particularly in densely developed areas? (The costs of mowing these properties in residential neighborhoods is burdensome on local governments and can be a deterrent to do future acquisitions.)               <ul style="list-style-type: none"> <li>○ A – Fawn – Sometimes they step up, but with it being a State program, tasks need to be overseen by the State. We do have many “Friends of” groups to assist with the sites. They study native species, assist with plantings, etc. Many areas have university graduate students studying these properties and include the US FWS. Many funding sources cover planting, labor, and reforestation efforts. Nonprofits are also helping. There is not a lot of mowing going on, many areas are letting the properties return to nature.</li> </ul> </li>   <li>• Q – Elizabeth - Are there boardwalks or other passive recreation amenities on the properties?               <ul style="list-style-type: none"> <li>○ A - Fawn – There are some horse trails and walking trails. Additionally, the Department of Recreation is going to dredge a</li> </ul> </li> </ul>

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		<p>channel and use the sand to restore a beach and create a horseshoe crab habitat. We are also working with groups to volunteer to plant, and many non-profits offer assistance with documentation needs.</p> <ul style="list-style-type: none"> <li>• Q - Lewis Lawrence - Have you had waterfront property owners donate land or homes without looking for compensation? Many owners cannot sell due to the risks and market values, so we have seen many owners wish to just donate the land.               <ul style="list-style-type: none"> <li>○ A – Fawn – We have. As the system is set up, if there is a way for us to compensate them, we do. But we receive open-space donations all the time. Especially if there is additional land associated with a structure. We have the ability to acquire the property and handle the demolition. We also check for a transferable title before proceeding.</li> <li>○ Q - Do you use that value for match on other projects?</li> <li>○ A - Fawn - We have not had to. After Superstorm Sandy we are doing a global match program. We have \$300 million in funding to use in a 25% match. We are using flood buyouts from HUD and putting them into FEMA grants as cost share contributions. There are great ways to use value from one side to support the other.</li> </ul> </li> </ul>
5.	Wrap up and Q&A	Elizabeth introduced the Dewberry Team's questions and advised they will be sent to the Subcommittee members after the meeting. Elizabeth asked Subcommittee members to send responses back to her for submission to Dewberry by the stated due date (see attached slide). Additional discussions will cover how the Subcommittee can help support Dewberry's efforts and bring Virginia-based knowledge to the table going forward.
6.	Public Comment Period	Elizabeth opened the floor to public comments.  Carille Greenberg Ribley – I am a grant writer in the environmental policy arena. I am listening only and trying to learn about the challenges Virginia faces, and how I could potentially help.
7.	Adjournment	Peter moved to adjourn, Bob Crum seconded. Motion passed; meeting concluded at 11:31am.

Action Items			
#	Action Item	Owner (Organization)	Due Date
1.	Distribute Dewberry Team's questions to Subcommittee Members.	Elizabeth Andrews	May 10, 2021
2.	Return response to Dewberry Team's questions to Elizabeth Andrews.	All	May 10, 2021

If you have any questions, please contact Ashley Samonisky, Vision Planning and Consulting, at [asamonisky@vision-pc.net](mailto:asamonisky@vision-pc.net).